

NEW JERSEY DIVISION OF TAXATION

TECHNICAL BULLETIN

DISTRIBUTION: C, INCLUDING FIELD

TB-12

FOR RELEASE: INTERNAL ONLY _____
OUTSIDE DIVISION X

ISSUED: 11-4-93 (R)

TAX: SALES AND USE TAX

Effective Date: 3-16-92

TOPIC: TICKET ADMISSIONS,
SELLERS AND PROMOTERS

Under the Sales and Use Tax Act, any charge for admission to an entertainment or amusement event of more than 75 cents is subject to sales tax. Examples of taxable admissions include movies, shows, concerts and sports events that take place in New Jersey, as well as amusement rides.

Promoters and other persons who sell taxable admission tickets must register as vendors with the Division of Taxation. To register, promoters and other ticket sellers, including ticket sales agents, must complete an Application for Registration (Form REG-1). Registered vendors receive and are identified by a Certificate of Authority (Form ST-2) to collect New Jersey sales tax.

A promoter is anyone who holds, produces or sponsors an event the admission to which is subject to tax. A ticket sales agent is any person who sells tickets or receives admission charges for a promoter. A promoter or a ticket sales agent can be a private profit-making or nonprofit entity or a public entity under the law.

All tickets which state the price of admission must also state the amount of sales tax collected for remittance to the Division of Taxation. Any person selling admission tickets or collecting an admission charge from a patron is responsible for the collection of New Jersey sales tax. A ticket sales agent for a promoter, however, can turn over sales tax collected on admission tickets subject to tax in New Jersey to the promoter for remittance to the Division of Taxation if all of the following conditions are satisfied:

- 1) Both the ticket sales agent and the promoter agree in writing that the promoter will remit the tax to the Division of Taxation.
- 2) The promoter provides a photocopy of his New Jersey Sales Tax Certificate of Authority to the ticket sales agent.
- 3) The ticket sales agent has no reason to believe that the tax will not be remitted by the promoter.
- 4) The ticket sales agent maintains records satisfactory to the Division including: the number of tickets or admissions sold; the gross receipts from ticket sales; the sales tax collected; the promoter's name, address and telephone number; and a copy of the promoter's New Jersey Certificate of Authority.
- 5) The Division of Taxation has not advised the ticket sales agent in writing to remit the tax directly to the State in the case of a particular promoter.

The ticket sales agent must maintain the above information and provide it to the Division of Taxation upon request. If all these conditions are satisfied, the promoter is responsible for remittance of the sales tax to the Division of Taxation.

For more information or to obtain an Application for Registration, contact the Division's Tax Hotline at (609) 588-2200, or write to the Division of Taxation, Taxpayer Services Branch, Office of Communication, 50 Barrack Street, CN 281, Trenton, NJ 08646-0281.